

CBJ Short Term Rental FAQ

What is a Short Term Rental (STR)?

Short-term rentals provide residential lodgings for fewer than 30 consecutive days to the same occupant. STRs are most commonly advertised and booked through online platforms such as Airbnb or VRBO, but can also be advertised by other means and/or booked directly with the owner.

What do I need to do in order to operate a Short Term Rental in Juneau?

All STR operators are required to have an [Alaska Business License](#), and [register with the CBJ Sales Tax Office](#) prior to operations.

I only rent my house out for short-term stays a few times a year, do I still have to register and file my sales taxes quarterly?

Yes. CBJ sales tax code does not have a minimum level of operations, and taxes must be filed quarterly, even when there is no sales activity for the reporting period. Very small businesses with \$20,000 or less of annual gross sales may request to file sales tax returns annually.

I registered with the CBJ Sales Tax Office because I was renting out my house for IronMan only and now they are not coming back; what do I need to do?

If you are closing your business, you need to file your final return and complete a [Business Closure form](#).

What taxes should I be collecting on my Short Term Rental?

STRs located within the CBJ's taxing jurisdiction are subject to both the 5% sales tax, as well as the 9% hotel tax for a total of **14%**. These taxes are assessed based on the full price of the room rate, not the amount received by the operator after the online platform takes their fees.

I rent my facility through an online platform; am I required to collect and report CBJ taxes?

STR operators are responsible to ensure both sales taxes and hotel taxes are collected from all rentals and remitted to CBJ. No rental platforms currently collect and remit sales taxes to CBJ directly.

I charge a cleaning fee to my renters; is that subject to the hotel tax as well?

The 9% hotel tax only applies to the nightly room rate. Any additional fees the STR operator charges a customer, such as a cleaning fee, is only subject to the 5% sales tax.

The online platform I use charges my customers a service fee; do I need to collect taxes on that?

No. Fees charged by the online platform directly to the customer, are not reportable by the STR operator, and are not taxed in Juneau.

The online platform takes a percentage of my rental revenue; what do I report as sales to CBJ?

If the online platform charges the STR operator a fee for their services, that amount is an expense of the business (think advertising expense) and considered a separate transaction, even if they automatically take those funds from the disbursement.

I'm still confused about what taxes I should be collecting and how to report it?

Example: If your guest stayed for one night and your nightly rate was \$200, you charged a \$50 cleaning fee, and Airbnb charged the customer a \$25 service fee, your taxes should be collected and reported as:

$\$200 * 14\% = \28

$\$50 * 5\% = \2.50

\$25 – no tax/not reportable

Total tax \$30.50

You received \$212.50 from Airbnb (\$250 minus a 15% Airbnb fee), you should still be collecting tax on \$250 and reporting the sale total as \$250.00 in your gross sales.